



Summary: More Than a Job Final Results from the Evaluation of the Center for Employment Opportunities Transitional Jobs Program

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Most of the information in this brief was summarized from MDRC's final evaluation report. The full report is available <http://www.mdrc.org/publications/616/overview.html>.

The evaluation of the Center for Employment Opportunities (CEO) transitional jobs program is one of the most rigorous tests of an employment program for former prisoners in recent years. The three-year evaluation found that CEO significantly reduced recidivism, with the largest impacts occurring among a subgroup of former prisoners who enrolled shortly after release from prison. CEO substantially increased employment early on; for the recently released subgroup CEO had some positive impacts on post program employment but the effects faded over time for the overall sample. In general, CEO's impacts were stronger for those who were more disadvantaged or at higher risk of recidivism when they enrolled in the study. The evaluation includes a benefit-cost analysis, which shows that CEO's financial benefits significantly outweighed its costs under a wide range of assumptions.

The Study Design

The study used a rigorous random assignment design: it compared outcomes for individuals assigned to the program group, who were given access to CEO's jobs and other services, with the outcomes of those assigned to the control group, who were offered basic job search assistance at CEO along with other services in the community with the exception of transitional jobs.

Former prisoners were referred to CEO by their parole officers. Study enrollment was conducted between January 2004 and October 2005 and resulted in a sample of 977 former prisoners: 568 in the program group and 409 in the control group. Because the study's sample members were assigned at random to one group or the other, the two groups, on average, were similar with regard to all personal characteristics at the start of the study. Therefore, one can be confident that any statistically significant differences in outcomes that emerge between the groups over time can be attributed to CEO's program.

The Study Sample

By far, most of the sample members were male, and most were African-American or Hispanic. On average, sample members were 34 years old when they enrolled in the study; 43 percent were age

30 or younger. Just over half the sample had completed a high school diploma or a General Educational Development (GED) certificate (most of these had a GED). About half the study sample had at least one child under age 18, but only a small number lived with any of their children. Nearly one in five (19.3 percent) had a formal child support order. Most had worked in the past, but only three out of five had ever worked six consecutive months for a single employer.

The sample members had extensive histories with the criminal justice system, with an average of seven prior convictions and a total of five years in state prison. Nearly 70 percent of the sample members had prior arrests for violent offenses, and 51 percent had been convicted of a violent offense. Nearly three-quarters of the sample had prior convictions for drug-related offenses. All were under parole supervision when they entered the study.

The CEO Intervention

CEO's model starts with a short pre-employment class lasting five days. Once participants complete the class, they are placed immediately into a transitional job in one of CEO's work crews. Crews of about six participants each work in city and state agencies throughout New York City and are supervised by a CEO staff person. Participants perform basic but meaningful work for these agencies including light maintenance, janitorial and grounds keeping duties. During the study period, participants worked seven hours a day, four days per week, and were paid each day for the work performed that day. The structure of the work crews and the supervisors' role are geared toward teaching the soft skills that employer's value, such as how to show up to work on time and how to behave on the job. On the fifth day of each week, participants reported to CEO's office and met with their job coaches (case managers) and job developers. They could also participate in other services, such as a fatherhood program and parenting classes. Once deemed job-ready, participants got help finding a permanent job.

CEO participants in the study had a high level of participation. Almost 76 percent completed the initial five-day pre-employment class and 71 percent worked in a CEO transitional job for at least one day. The average time spent in transitional employment was about nine weeks, which generally occurred over about four months of engagement with the program. About 91 percent of participants who worked in a transitional job also met with CEO job coaches or job developers at least once. About 44 percent of those who worked in a transitional job were placed into permanent jobs, according to CEO's records.

The Results

- ✓ **CEO significantly reduced recidivism with the largest impacts for the group of participants recently released from prison.** This group was significantly less likely than control group members to be arrested (49 percent, compared with 59 percent); convicted of a crime (44 percent, compared with 57 percent); or incarcerated (60 percent, compared with 71 percent). These impacts represent a reduction in recidivism of 16 to 22 percent across the three outcomes. Such reductions in recidivism are difficult to achieve and have rarely been seen in rigorous evaluations similar to this one.

- ✓ **CEO substantially increased employment early on; for the recently released subgroup CEO had some positive impacts on post program employment but the effects faded over time for the overall sample.** First year improvements in employment outcomes were substantial (24.5 percentage points) driven by participation in transitional jobs. In years two and three, on average, recently released program group members had more quarters with unsubsidized employment than their control group counterparts (19 percent of program group members worked seven or eight quarters, compared with 11 percent of the control group). Program group members were also more likely than control group members to have six or more consecutive quarters with unsubsidized employment in the two years after they left CEO.
- ✓ **In addition to those recently released from prison, CEO's impacts on employment and recidivism were stronger for those who were more disadvantaged or at higher risk of recidivism.** The subgroups with the largest impacts on employment and recidivism include those with four or more prior convictions, those without a high school diploma or GED, and those with a high risk of recidivism (based on a risk index determined by age, number of prior convictions, and other static factors) at the time of random assignment. Among the subgroup with four or more prior convictions at the time of study entry, CEO reduced convictions for new crimes by 12.8 percentage points. For CEO participants without a high school diploma and for those considered to be at high risk of recidivism, there was a reduction the number of days spent incarcerated. For those at high risk of recidivism, post-program (years 2-3) average quarterly unsubsidized employment increased by 11 percentage points (27 percent of program group members compared to 16 percent of the control group).
- ✓ **CEO's financial benefits far outweigh its costs.** Financial benefits from reduced criminal justice expenditures, reduced victimization costs, and increased employment exceeded the costs for taxpayers, victims and participants.

The total net benefit of CEO was about \$4,100 per program group member from a taxpayer perspective; the total net benefit to society was estimated to be about \$4,900 per program group member. Benefits for the full sample outweighed costs 2.1 to 1 from the taxpayer perspective and 2.4 to 1 from the combined perspectives of taxpayers, victims, and participants. For the recently released from prison group the return on investment is even greater. The estimated net benefit of CEO is about \$8,300 per recently released program group member from a taxpayer perspective; the total net benefit to society was estimated to be about \$10,300 per recently released program group member.

Benefits for the recently released sample outweighed costs 3.3 to 1 from the taxpayer perspective and 3.9 to 1 from the combined perspectives of taxpayers, victims, and participants. Under a wide range of assumptions, the program generates between \$1.26 (using the most conservative low-end assumptions) and \$3.85 in benefits per \$1.00 of cost. The majority of benefits to taxpayers came in the form of reduced criminal justice system expenditures and the value of services that CEO participants provided to government agencies in the transitional job work sites.

Lessons for the Field

Apply CEO's best practices. It is clear that programs like CEO are a wise investment along many dimensions. What is less obvious in studies like this is why CEO is so effective. Some factors which may contribute to positive changes in attitudes, behaviors, and outcomes of CEO participants include great, well-trained staff; supportive, developmental transitional jobs work crews; and peer support provided through the small work crews. Other program attributes that are relatively unique to CEO include an emphasis on rapid attachment to work within a few days of intake; daily evaluation, performed by frontline supervisors at the end of each shift, of basic work-readiness skills such as punctuality and cooperation; and daily payment at the end of each shift worked.

Adopt enhancements to improve employment outcomes. CEO has taken what it has learned throughout this process to enhance and evolve its programming. Their work, and the enhancements being tested through the Enhanced Transitional Jobs Demonstration, are paving the way forward for the field to further improve employment outcomes. Promising and innovative enhancements to the TJ model that are currently being piloted include:

- structuring "stepped" or "tiered" transitional employment in which participants move from less stressful work into more demanding positions as they gain work readiness;
- offering stepped subsidies in which wages transition from fully subsidized to partially subsidized with employer partners making up the difference;
- provision of enhanced retention services including intensive follow-up and monetary incentives to help participants keep unsubsidized employment;
- integration of sector- or occupation-specific training and transitional work experience to improve access to high-quality jobs in growth industries;
- integration of contextualized instruction and curricula to improve adult basic academic skills;
- assistance with meeting child support obligations to encourage compliance and remove disincentives to work; and
- provision of increased flexibility with regard to the length of time in transitional employment and the ability to reenter the program following infractions or mistakes.

Target disadvantaged jobseekers and those at higher risk of recidivism. Through this study and others, including the Transitional Jobs Reentry Demonstration, it has been well documented that people returning to communities from prison want to work, but that absent programs like transitional jobs, will likely not have high rates of employment. Less than 30 percent of the control group in each study were employed in any given quarter. In both studies, results show that transitional jobs were successful in generating higher rates of employment than would otherwise be found for returning prisoners, demonstrating that when former prisoners are offered an immediate paid job, they are willing to work.

Promote Transitional Jobs as a prisoner reentry strategy. With the current fiscal crisis in most states, policymakers are looking for ways to reduce criminal justice expenditures while maintaining public safety. From a policy perspective, the CEO program as operated appears to be a cost-effective reentry option. Under a wide range of assumptions, the monetary benefits generated by the CEO program exceed its costs to taxpayers.